

**Senator Curtis S. Bramble** proposes the following substitute bill:

**COMMUNITY DEVELOPMENT AND RENEWAL**

**AGENCY AMENDMENTS**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Curtis S. Bramble**

House Sponsor: David Clark

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to community development and renewal agencies.

**Highlighted Provisions:**

This bill:

- ▶ modifies the definition of urban renewal to include environmental remediation;
- ▶ modifies the definition of base taxable value to mean, for a project on an inactive industrial site, the year after the date the inactive industrial site is sold for remediation and development;
- ▶ expands the permissible uses of tax increment to cover environmental remediation activities that occur both after and before adoption of a project area plan;
- ▶ provides an exception to blight study and blight hearing requirements for agencies that find blight based on a finding relating to an inactive industrial site;
- ▶ prohibits a taxing entity committee from disapproving an agency's finding of blight unless the committee demonstrates that the blight conditions the agency found to exist in the urban renewal project area do not exist;
- ▶ authorizes the taxing entity committee to hire a consultant to assist in the taxing entity committee's approval or disapproval of an agency's finding of blight, requires



26 the taxing entity committee and agency to share the consultant's expenses, and makes the  
27 consultant's findings binding;

28       ▶ modifies the amount of tax increment an agency board may provide in a project area  
29 budget for the agency to be paid for an urban renewal project area plan that  
30 proposes development of an inactive industrial site;

31       ▶ makes an exception to a combined incremental value limit if the budget is based on  
32 a project area where a finding of blight is made because of the presence of a  
33 superfund site or an inactive industrial site;

34       ▶ authorizes an agency to use certain tax increment funds for relocating mobile home  
35 park residents who are displaced;

36       ▶ eliminates the requirement for consent from a taxing entity committee for the use of  
37 tax increment and sales tax proceeds for certain infrastructure and improvements in  
38 a community development project area;

39       ▶ modifies a provision related to the collection of a taxing entity's tax increment if the  
40 taxing entity elects not to have its tax increment collected and used for other taxing  
41 entities;

42       ▶ clarifies that a contest period applies also to a resolution regarding the use of tax  
43 proceeds;

44       ▶ makes technical changes.

45 **Monies Appropriated in this Bill:**

46       None

47 **Other Special Clauses:**

48       None

49 **Utah Code Sections Affected:**

50 AMENDS:

51       **17C-1-102**, as last amended by Chapter 254 and renumbered and amended by Chapter  
52 359, Laws of Utah 2006

53       **17C-1-402**, as last amended by Chapter 14 and renumbered and amended by Chapter  
54 359, Laws of Utah 2006

55       **17C-1-405**, as enacted by Chapter 359, Laws of Utah 2006

56       **17C-1-409**, as renumbered and amended by Chapter 359, Laws of Utah 2006

- 57           **17C-1-410**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 58           **17C-1-411**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 59           **17C-1-412**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 60           **17C-2-102**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 61           **17C-2-106**, as last amended by Chapter 254 and renumbered and amended by Chapter
- 62 359, Laws of Utah 2006
- 63           **17C-2-110**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 64           **17C-2-202**, as last amended by Chapter 254 and renumbered and amended by Chapter
- 65 359, Laws of Utah 2006
- 66           **17C-2-301**, as last amended by Chapter 254 and renumbered and amended by Chapter
- 67 359, Laws of Utah 2006
- 68           **17C-2-302**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 69           **17C-2-303**, as last amended by Chapter 254 and renumbered and amended by Chapter
- 70 359, Laws of Utah 2006
- 71           **17C-2-304**, as renumbered and amended by Chapter 359, Laws of Utah 2006
- 72           **17C-4-202**, as enacted by Chapter 359, Laws of Utah 2006



74 *Be it enacted by the Legislature of the state of Utah:*

75           Section 1. Section **17C-1-102** is amended to read:

76           **17C-1-102. Definitions.**

77           As used in this title:

78           (1) "Adjusted tax increment" means:

79           (a) for tax increment under a pre-July 1, 1993 project area plan, tax increment under

80 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

81           (b) for tax increment under a post-June 30, 1993 project area plan, tax increment under

82 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

83           (2) "Affordable housing" means housing to be owned or occupied by persons and

84 families of low or moderate income, as determined by resolution of the agency.

85           (3) "Agency" or "community development and renewal agency" means a separate body

86 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under

87 previous law, that is a political subdivision of the state, that is created to undertake or promote

88 urban renewal, economic development, or community development, or any combination of  
89 them, as provided in this title, and whose geographic boundaries are coterminous with:

90 (a) for an agency created by a county, the unincorporated area of the county; and

91 (b) for an agency created by a city or town, the boundaries of the city or town.

92 (4) "Annual income" has the meaning as defined under regulations of the U.S.

93 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as  
94 superseded by replacement regulations.

95 (5) "Assessment roll" has the meaning as defined in Section 59-2-102.

96 (6) "Base taxable value" means the taxable value of the property within a project area  
97 from which tax increment will be collected, as shown upon the assessment roll last equalized  
98 before:

99 (a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan;

100 [or]

101 (b) for a post-June 30, 1993 project area plan:

102 (i) the date of the taxing entity committee's approval of the first project area budget; or

103 (ii) if no taxing entity committee approval is required for the project area budget, the

104 later of:

105 (A) the date the project area plan is adopted by the community legislative body; and

106 (B) the date the agency adopts the first project area budget[-]; or

107 (c) for a project on an inactive industrial site, a year after the date on which the inactive  
108 industrial site is sold for remediation and development.

109 (7) "Basic levy" means the portion of a school district's tax levy constituting the  
110 minimum basic levy under Section 59-2-902.

111 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of  
112 Subsection 17C-2-303(1).

113 (9) "Blight hearing" means a public hearing under Subsection  
114 17C-2-102(1)(a)~~(iii)~~(i)(C) and Section 17C-2-302 regarding the existence or nonexistence of  
115 blight within the proposed urban renewal project area.

116 (10) "Blight study" means a study to determine the existence or nonexistence of blight  
117 within a survey area as provided in Section 17C-2-301.

118 (11) "Board" means the governing body of an agency, as provided in Section

119 17C-1-203.

120 (12) "Budget hearing" means the public hearing on a draft project area budget required  
121 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection  
122 17C-3-201(2)(d) for an economic development project area budget.

123 (13) "Combined incremental value" means the combined total of all incremental values  
124 from all urban renewal project areas, except project areas that contain some or all of a military  
125 installation or inactive industrial site, within the agency's boundaries under adopted project area  
126 plans and adopted project area budgets at the time that a project area budget for a new urban  
127 renewal project area is being considered.

128 (14) "Community" means a county, city, or town.

129 (15) "Community development" means development activities within a community,  
130 including the encouragement, promotion, or provision of development.

131 (16) "Economic development" means to promote the creation or retention of public or  
132 private jobs within the state through:

133 (a) planning, design, development, construction, rehabilitation, business relocation, or  
134 any combination of these, within a community; and

135 (b) the provision of office, industrial, manufacturing, warehousing, distribution,  
136 parking, public, or other facilities, or other improvements that benefit the state or a community.

137 (17) "Fair share ratio" means the ratio derived by:

138 (a) for a city or town, comparing the percentage of all housing units within the city or  
139 town that are publicly subsidized income targeted housing units to the percentage of all  
140 housing units within the whole county that are publicly subsidized income targeted housing  
141 units; or

142 (b) for the unincorporated part of a county, comparing the percentage of all housing  
143 units within the unincorporated county that are publicly subsidized income targeted housing  
144 units to the percentage of all housing units within the whole county that are publicly subsidized  
145 income targeted housing units.

146 (18) "Family" has the meaning as defined under regulations of the U.S. Department of  
147 Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by  
148 replacement regulations.

149 (19) "Greenfield" means land not developed beyond agricultural or forestry use.

150 (20) "Housing funds" means the funds allocated in an urban renewal project area  
151 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

152 (21) (a) "Inactive industrial site" means land that:

153 (i) consists of at least 1,000 acres;

154 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial  
155 facility; and

156 (iii) requires remediation because of the presence of:

157 (A) hazardous [~~or solid~~]waste [~~as~~], defined [~~in Subsection 17B-4-604(1)(a)(iii)(I), as~~  
158 ~~last amended by Chapter 292, Laws of Utah 2005.~~] as any substance defined, regulated, or  
159 listed as a hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant,  
160 contaminant, or toxic substance, or identified as hazardous to human health or the environment  
161 under state or federal law or regulation; or

162 (B) solid waste.

163 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land  
164 described in Subsection (21)(a).

165 (22) "Income targeted housing" means housing to be owned or occupied by a family  
166 whose annual income is at or below 80% of the median annual income for the county in which  
167 the housing is located.

168 (23) "Incremental value" means a figure derived by multiplying the marginal value of  
169 the property located within an urban renewal project area on which tax increment is collected  
170 by a number that represents the percentage of adjusted tax increment from that project area that  
171 is paid to the agency.

172 (24) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
173 established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

174 (25) "Marginal value" means the difference between actual taxable value and base  
175 taxable value.

176 (26) "Military installation project area" means a project area or a portion of a project  
177 area located within a federal military installation ordered closed by the federal Defense Base  
178 Realignment and Closure Commission.

179 (27) "Plan hearing" means the public hearing on a draft project area plan required  
180 under Subsection 17C-2-102(1)(a)[~~(viii)~~] (vi) for an urban renewal project area plan,

181 Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection  
182 17C-4-102(1)(d) for a community development project area plan.

183 (28) "Post-June 30, 1993 project area plan" means a project area plan adopted on or  
184 after July 1, 1993, whether or not amended subsequent to its adoption.

185 (29) "Pre-July 1, 1993 project area plan" means a project area plan adopted before July  
186 1, 1993, whether or not amended subsequent to its adoption.

187 (30) "Private," with respect to real property, means:

188 (a) not owned by the United States or any agency of the federal government, a public  
189 entity, or any other governmental entity; and

190 (b) not dedicated to public use.

191 (31) "Project area" means the geographic area described in a project area plan or draft  
192 project area plan where the urban renewal, economic development, or community  
193 development, as the case may be, set forth in the project area plan or draft project area plan  
194 takes place or is proposed to take place.

195 (32) "Project area budget" means a multiyear projection of annual or cumulative  
196 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic  
197 development project area that includes:

198 (a) the base taxable value of property in the project area;

199 (b) the projected tax increment expected to be generated within the project area;

200 (c) the amount of tax increment expected to be shared with other taxing entities;

201 (d) the amount of tax increment expected to be used to implement the project area plan,  
202 including the estimated amount of tax increment to be used for land acquisition, public  
203 improvements, infrastructure improvements, and loans, grants, or other incentives to private  
204 and public entities;

205 (e) the tax increment expected to be used to cover the cost of administering the project  
206 area plan;

207 (f) if the area from which tax increment is to be collected is less than the entire project  
208 area:

209 (i) the tax identification numbers of the parcels from which tax increment will be  
210 collected; or

211 (ii) a legal description of the portion of the project area from which tax increment will

212 be collected; and

213 (g) for property that the agency owns and expects to sell, the expected total cost of the  
214 property to the agency and the expected selling price.

215 (33) "Project area plan" means a written plan under ~~[Part 4, Project Area Plan]~~ Chapter  
216 2, Part 1, Urban Renewal Project Area Plan, Chapter 3, Part 1, Economic Development Project  
217 Area Plan, or Chapter 4, Part 1, Community Development Project Area Plan, as the case may  
218 be, that, after its effective date, guides and controls the urban renewal, economic development,  
219 or community development activities within a project area.

220 (34) "Property tax" includes privilege tax and each levy on an ad valorem basis on  
221 tangible or intangible personal or real property.

222 (35) "Public entity" means:

223 (a) the state, including any of its departments or agencies; or

224 (b) a political subdivision of the state, including a county, city, town, school district,  
225 special district, local district, or interlocal cooperation entity.

226 (36) "Publicly owned infrastructure and improvements" means water, sewer, storm  
227 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,  
228 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,  
229 and improvements benefitting the public and to be publicly owned or publicly maintained or  
230 operated.

231 (37) "Record property owner" or "record owner of property" means the owner of real  
232 property as shown on the records of the recorder of the county in which the property is located  
233 and includes a purchaser under a real estate contract if the contract is recorded in the office of  
234 the recorder of the county in which the property is located or the purchaser gives written notice  
235 of the real estate contract to the agency.

236 (38) "Superfund site":

237 (a) means an area included in the National Priorities List under the Comprehensive  
238 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

239 (b) includes an area formerly included in the National Priorities List, as described in  
240 Subsection (38)(a), but removed from the list following remediation that leaves on site the  
241 waste that caused the area to be included in the National Priorities List.

242 (39) "Survey area" means an area designated by a survey area resolution for study to

243 determine whether one or more urban renewal projects within the area are feasible.

244 (40) "Survey area resolution" means a resolution adopted by the agency board under  
245 Subsection 17C-2-101(1)(a) designating a survey area.

246 (41) "Taxable value" means the value of property as shown on the last equalized  
247 assessment roll as certified by the county assessor.

248 (42) (a) "Tax increment" means, except as provided in Subsection (42)(b), the  
249 difference between:

250 (i) the amount of property tax revenues generated each tax year by all taxing entities  
251 from the area within a project area designated in the project area plan as the area from which  
252 tax increment is to be collected, using the current assessed value of the property; and

253 (ii) the amount of property tax revenues that would be generated from that same area  
254 using the base taxable value of the property.

255 (b) "Tax increment" does not include taxes levied and collected under Section  
256 59-2-906.1 on or after January 1, 1994 upon the taxable property in the project area unless:

257 (i) the project area plan was adopted before May 4, 1993, whether or not the project  
258 area plan was subsequently amended; and

259 (ii) the taxes were pledged to support bond indebtedness or other contractual  
260 obligations of the agency.

261 (43) "Taxing entity" means a public entity that levies a tax on property within a  
262 community.

263 (44) "Taxing entity committee" means a committee representing the interests of taxing  
264 entities, created as provided in Section 17C-1-402.

265 (45) "Unincorporated" means not within a city or town.

266 (46) (a) "Urban renewal" means the development activities under a project area plan  
267 within an urban renewal project area, including:

268 (i) planning, design, development, demolition, clearance, construction, rehabilitation,  
269 environmental remediation, or any combination of these, of part or all of a project area;

270 (ii) the provision of residential, commercial, industrial, public, or other structures or  
271 spaces, including recreational and other facilities incidental or appurtenant to them;

272 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or  
273 any combination of these, existing structures in a project area;

274 (iv) providing open space, including streets and other public grounds and space around  
275 buildings;

276 (v) providing public or private buildings, infrastructure, structures, and improvements;  
277 and

278 (vi) providing improvements of public or private recreation areas and other public  
279 grounds.

280 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before  
281 May 1, 2006, if the context requires.

282 Section 2. Section **17C-1-402** is amended to read:

283 **17C-1-402. Taxing entity committee.**

284 (1) Each agency that adopts or proposes to adopt a post-June 30, 1993 urban renewal or  
285 economic development project area plan shall, and any other agency may, cause a taxing entity  
286 committee to be created.

287 (2) (a) (i) Each taxing entity committee shall be composed of:

288 (A) two school district representatives appointed as provided in Subsection (2)(a)(ii);

289 (B) (I) in a county of the second, third, fourth, fifth, or sixth class, two representatives  
290 appointed by resolution of the legislative body of the county in which the agency is located; or

291 (II) in a county of the first class, one representative appointed by the county executive  
292 and one representative appointed by the legislative body of the county in which the agency is  
293 located;

294 (C) if the agency was created by a city or town, two representatives appointed by  
295 resolution of the legislative body of that city or town;

296 (D) one representative appointed by the State Board of Education; and

297 (E) one representative selected by majority vote of the legislative bodies or governing  
298 boards of all other taxing entities that levy a tax on property within the agency's boundaries, to  
299 represent the interests of those taxing entities on the taxing entity committee.

300 (ii) (A) If the agency boundaries include only one school district, that school district  
301 shall appoint the two school district representatives under Subsection (2)(a)(i)(A).

302 (B) If the agency boundaries include more than one school district, those school  
303 districts shall jointly appoint the two school district representatives under Subsection  
304 (2)(a)(i)(A).

305 (b) (i) Each taxing entity committee representative under Subsection (2)(a) shall be  
306 appointed within 30 days after the agency provides notice of the creation of the taxing entity  
307 committee.

308 (ii) If a representative is not appointed within the time required under Subsection  
309 (2)(b)(i), the agency board may appoint a person to serve on the taxing entity committee in the  
310 place of the missing representative until that representative is appointed.

311 (c) (i) A taxing entity committee representative may be appointed for a set term or  
312 period of time, as determined by the appointing authority under Subsection (2)(a)(i).

313 (ii) Each taxing entity committee representative shall serve until a successor is  
314 appointed and qualified.

315 (d) (i) Upon the appointment of each representative under Subsection (2)(a)(i), whether  
316 an initial appointment or an appointment to replace an already serving representative, the  
317 appointing authority shall:

318 (A) notify the agency in writing of the name and address of the newly appointed  
319 representative; and

320 (B) provide the agency a copy of the resolution making the appointment or, if the  
321 appointment is not made by resolution, other evidence of the appointment.

322 (ii) Each appointing authority of a taxing entity committee representative under  
323 Subsection (2)(a)(i) shall notify the agency in writing of any change of address of a  
324 representative appointed by that appointing authority.

325 (3) A taxing entity committee represents all taxing entities regarding an urban renewal  
326 or economic development project area and may:

327 (a) cast votes that will be binding on all taxing entities;

328 (b) negotiate with the agency concerning a draft project area plan;

329 (c) approve or disapprove a project area budget as provided in Section 17C-2-204 for  
330 an urban renewal project area budget and Section 17C-3-203 for an economic development  
331 project area budget;

332 (d) approve or disapprove amendments to a project area budget as provided in Section  
333 17C-2-206 for an urban renewal project area budget and Section 17C-3-205 for an economic  
334 development project area budget;

335 (e) approve exceptions to the limits on the value and size of a project area imposed

336 under this title;

337 (f) approve exceptions to the percentage of tax increment and the period of time that  
338 tax increment is paid to the agency as provided in this title;

339 (g) approve the use of tax increment for publicly owned infrastructure and  
340 improvements outside of an urban renewal or economic development project area that the  
341 agency and community legislative body determine to be of benefit to the urban renewal or  
342 economic development project area, as provided in Subsection 17C-1-409(1)(a)(iii)(D);

343 (h) waive the restrictions imposed by Subsection 17C-2-202(1); and

344 (i) give other taxing entity committee approval or consent required or allowed under  
345 this title.

346 (4) A quorum of a taxing entity committee consists of:

347 (a) if the urban renewal or economic development project area is located within a city  
348 or town, five members; or

349 (b) if the urban renewal or economic development project area is not located within a  
350 city or town, four members.

351 (5) Taxing entity committee approval, consent, or other action requires the affirmative  
352 vote of two-thirds of all members present at a taxing entity committee meeting at which a  
353 quorum is present.

354 (6) (a) An agency may call a meeting of the taxing entity committee by sending written  
355 notice to the members of the taxing entity committee at least ten days before the date of the  
356 meeting.

357 (b) Each notice under Subsection (6)(a) shall be accompanied by:

358 (i) the proposed agenda for the taxing entity committee meeting; and

359 (ii) if not previously provided and if they exist and are to be considered at the meeting:

360 (A) the urban renewal or economic development project area plan or proposed plan;

361 (B) the urban renewal or economic development project area budget or proposed  
362 budget;

363 (C) the analysis required under Subsection 17C-2-103(2) or 17C-3-103(2);

364 (D) the blight study;

365 (E) the agency's resolution making a finding of blight under Subsection

366 17C-2-102(1)(a)[~~(iv)~~] (ii)(B); and

367 (F) other documents to be considered by the taxing entity committee at the meeting.

368 (7) (a) A taxing entity committee may not vote on a proposed urban renewal or  
369 economic development project area budget or proposed amendment to an urban renewal or  
370 economic development project area budget at the first meeting at which the proposed budget or  
371 amendment is considered unless all members of the taxing entity committee present at the  
372 meeting consent.

373 (b) A second taxing entity committee meeting to consider an urban renewal or  
374 economic development project area budget or a proposed amendment to an urban renewal or  
375 economic development project area budget may not be held within 14 days after the first  
376 meeting unless all members of the taxing entity committee present at the first meeting consent.

377 (8) Each taxing entity committee shall meet at least annually during the time that the  
378 agency receives tax increment under an urban renewal or economic development project area  
379 budget in order to review the status of the project area.

380 (9) Each taxing entity committee shall be governed by Title 52, Chapter 4, Open and  
381 Public Meetings Act.

382 (10) Each time a school district representative or a representative of the State Board of  
383 Education votes as a member of a taxing entity committee to allow an agency to be paid tax  
384 increment or to increase the amount or length of time that an agency may be paid tax  
385 increment, that representative shall, within 45 days after the vote, provide to the  
386 representative's respective school board an explanation in writing of the representative's vote  
387 and the reasons for the vote.

388 (11) (a) The auditor of each county in which the agency is located shall provide a  
389 written report to the taxing entity committee stating, with respect to property within each urban  
390 renewal and economic development project area:

391 (i) the base taxable value, as adjusted by any adjustments under Section 17C-1-408;  
392 and

393 (ii) the assessed value.

394 (b) With respect to the information required under Subsection (11)(a), the auditor shall  
395 provide:

396 (i) actual amounts for each year from the adoption of the urban renewal and economic  
397 development project area plan to the time of the report; and

398 (ii) estimated amounts for each year beginning the year after the time of the report and  
399 ending the time that the agency expects no longer to be paid tax increment from property  
400 within the urban renewal and economic development project area.

401 (c) The auditor of the county in which the agency is located shall provide a report  
402 under this Subsection (11):

403 (i) at least annually; and

404 (ii) upon request of the taxing entity committee, before a taxing entity committee  
405 meeting at which the committee will consider whether to allow the agency to be paid tax  
406 increment or to increase the amount of tax increment that the agency may be paid or the length  
407 of time that the agency may be paid tax increment.

408 (12) This section does not apply to a community development project area plan.

409 Section 3. Section **17C-1-405** is amended to read:

410 **17C-1-405. Tax increment under a project area plan adopted on or after May 1,**  
411 **2006.**

412 (1) This section applies to tax increment under a project area plan adopted on or after  
413 May 1, 2006.

414 (2) Subject to the approval of the taxing entity committee, an agency board may  
415 provide in the project area budget for the agency to be paid:

416 (a) for an urban renewal project area plan that proposes development of an inactive  
417 industrial site, at least 60% of tax increment for at least 15 years; or

418 (b) for each other project, any percentage of tax increment up to 100% or any specified  
419 dollar amount of tax increment for any period of time.

420 Section 4. Section **17C-1-409** is amended to read:

421 **17C-1-409. Allowable uses of tax increment and sales tax.**

422 (1) (a) An agency may use tax increment and sales tax proceeds received from a taxing  
423 entity:

424 (i) for any of the purposes for which the use of tax increment is authorized under this  
425 title;

426 (ii) for administrative, overhead, legal, and other operating expenses of the agency,  
427 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B); or

428 (iii) to pay for, including financing or refinancing, all or part of:

429 (A) ~~[the]~~ urban renewal~~[-]~~ activities in the project area from which the tax increment  
 430 funds are collected, including environmental remediation activities occurring before or after  
 431 adoption of the project area plan;

432 (B) economic development~~[-]~~ or community development activities in the project area  
 433 from which the tax increment funds ~~[were]~~ are collected;

434 ~~[(B)]~~ (C) housing expenditures, projects, or programs as provided in Section  
 435 17C-1-411 or 17C-1-412;

436 ~~[(C)]~~ (D) ~~H→~~ ~~[with the consent of the community legislative body and]~~ ~~←H~~ subject to  
 436a ~~H→~~ ~~[-Subsection]~~ Subsections (1)(c) and ←H

437 (6), the value of the land for and the cost of the installation and construction of any publicly  
 438 owned building, facility, structure, landscaping, or other improvement within the project area  
 439 from which the tax increment funds were collected; and

440 ~~[(D)]~~ ~~with the consent of the community legislative body and the taxing entity~~  
 441 ~~committee;~~

442 (E) ~~H→~~ subject to Subsection (1)(d), ←H the cost of the installation of publicly owned  
 442a infrastructure and improvements

443 outside the project area from which the tax increment funds were collected if ~~H→~~ ~~[-]~~

444 ~~————(I) (Aa) the community legislative body consents; and~~

445 ~~————(Bb) for an urban renewal or economic development project area, the taxing entity~~  
 446 ~~committee consents; and~~

447 ~~————(H)] ←H~~ the agency board and the community legislative body determine by resolution that  
 448 the publicly owned infrastructure and improvements are of benefit to the project area.

449 (b) The determination of the agency board and the community legislative body under  
 450 Subsection (1)(a)(iii) ~~H→~~ ~~[(D)]~~ (E) ~~←H~~ regarding benefit to the project area shall be final and  
 450a conclusive.

450b ~~H→~~ (c) An agency may not use tax increment or sales tax proceeds received from a  
 450c taxing entity for the purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal or  
 450d economic development project area plan without the consent of the community legislative  
 450e body.

450f (d) An agency may not use tax increment or sales tax proceeds received from a taxing  
 450g entity for the purposes stated in Subsection (1)(a)(iii)(E) under an urban renewal or economic  
 450h development project area plan without the consent of the community legislative body and the  
 450i taxing entity committee. ←H

451 (2) Sales tax proceeds that an agency receives from another public entity are not

452 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Sales and Use  
453 Tax Incentive Payments Act.

454 (3) An agency may use sales tax proceeds it receives under a resolution or interlocal  
455 agreement under Section 17C-4-201 for the uses authorized in the resolution or interlocal  
456 agreement.

457 (4) (a) An agency may contract with the community that created the agency or another  
458 public entity to use tax increment to reimburse the cost of items authorized by this title to be  
459 paid by the agency that have been or will be paid by the community or other public entity.

460 (b) If land has been or will be acquired or the cost of an improvement has been or will  
461 be paid by another public entity and the land or improvement has been or will be leased to the  
462 community, an agency may contract with and make reimbursement from tax increment funds to  
463 the community.

464 (5) An agency created by a city of the first or second class may use tax increment from  
465 one project area in another project area to pay all or part of the value of the land for and the  
466 cost of the installation and construction of a publicly or privately owned convention center or  
467 sports complex or any building, facility, structure, or other improvement related to the  
468 convention center or sports complex, including parking and infrastructure improvements, if:

469 (a) construction of the convention center or sports complex or related building, facility,  
470 structure, or other improvement is commenced on or before June 30, 2002; and

471 (b) the tax increment is pledged to pay all or part of the value of the land for and the  
472 cost of the installation and construction of the convention center or sports complex or related  
473 building, facility, structure, or other improvement.

474 (6) Notwithstanding any other provision of this title, an agency may not use tax  
475 increment to construct municipal buildings, courts or other judicial buildings, or fire stations.

476 (7) Notwithstanding any other provision of this title, an agency may not use tax  
477 increment under an urban renewal or economic development project area plan, to pay any of  
478 the cost of the land, infrastructure, or construction of a stadium or arena constructed after  
479 March 1, 2005, unless the tax increment has been pledged for that purpose before February 15,  
480 2005.

481 Section 5. Section **17C-1-410** is amended to read:

482 **17C-1-410. Agency may make payments to other taxing entities.**

483 (1) Subject to Subsection (3), an agency may grant tax increment or other agency funds  
484 to a taxing entity to offset some or all of the tax revenues that the taxing entity did not receive  
485 because of tax increment paid to the agency.

486 (2) (a) Subject to Subsection (3), an agency may use tax increment or other agency  
487 funds to pay to a school district an amount of money that the agency determines to be  
488 appropriate to alleviate a financial burden or detriment borne by the school district because of  
489 the urban renewal, economic development, or community development.

490 (b) Each agency that agrees to pay money to a school district under the authority of

491 Subsection (2)(a) shall provide a copy of that agreement to the State Board of Education.

492 (3) (a) If an agency intends to pay agency funds to one or more taxing entities under  
493 Subsection (1) or (2) but does not intend to pay funds to all taxing entities in proportionally  
494 equal amounts, the agency shall provide written notice to each taxing entity of its intent.

495 (b) (i) A taxing entity receiving notice under Subsection (3)(a) may elect not to have its  
496 tax increment collected and used to pay funds to other taxing entities under this section.

497 (ii) Each election under Subsection (3)(b)(i) shall be:

498 (A) in writing; and

499 (B) delivered to the agency within 30 days after the taxing entity's receipt of the notice  
500 under Subsection (3)(a).

501 (c) If a taxing entity makes an election under Subsection (3)(b), the portion of that  
502 taxing entity's tax increment that would have been used by the agency to pay funds under this  
503 section to one or more other taxing entities may not be collected [~~from~~] by the [taxing entity]  
504 agency.

505 Section 6. Section **17C-1-411** is amended to read:

506 **17C-1-411. Agency may use tax increment for housing costs in other project**  
507 **areas -- Funds to be held in separate accounts.**

508 (1) An agency may:

509 (a) use tax increment from a project area to pay all or part of the value of the land for  
510 and the cost of installation, construction, and rehabilitation of any building, facility, structure,  
511 or other housing improvement, including infrastructure improvements related to housing,  
512 located in any project area within the agency's boundaries; and

513 (b) use up to 20% of tax increment;

514 (i) outside of project areas for the purpose of:

515 (A) replacing housing units lost by urban renewal, economic development, or  
516 community development[-]; or

517 (B) increasing, improving, and preserving generally the affordable housing supply of  
518 the community that created the agency[-]; or

519 (ii) for relocating mobile home park residents displaced by development, whether  
520 inside or outside a project area.

521 (2) (a) Each agency shall separately account for funds allocated under this section.

522 (b) Interest earned by the housing fund and any payments or repayments made to the  
523 agency for loans, advances, or grants of any kind from the fund, shall accrue to the housing  
524 fund.

525 (c) Each agency designating a housing fund under this section shall use the fund for:

526 (i) the purposes set forth in this section; or

527 (ii) the purposes set forth in this title relating to the urban renewal, economic  
528 development, or community development project area from which the funds originated.

529 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,  
530 public entity, housing authority, private entity or business, or nonprofit corporation for  
531 affordable housing.

532 Section 7. Section **17C-1-412** is amended to read:

533 **17C-1-412. Income targeted housing -- Agency may use tax increment for income**  
534 **targeted housing.**

535 (1) (a) Each agency shall use all funds allocated for housing under this section to:

536 (i) pay part or all of the cost of land or construction of income targeted housing within  
537 the community that created the agency, if practicable in a mixed income development or area;

538 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the  
539 community that created the agency;

540 (iii) pay part or all of the cost of land or installation, construction, or rehabilitation of  
541 any building, facility, structure, or other housing improvement, including infrastructure  
542 improvements, related to housing located in a project area where blight has been found to exist;

543 (iv) replace housing units lost as a result of the urban renewal, economic development,  
544 or community development;

545 (v) make payments on or establish a reserve fund for bonds:

546 (A) issued by the agency, the community, or the housing authority that provides  
547 income targeted housing within the community; and

548 (B) all or part of the proceeds of which are used within the community for the purposes  
549 stated in Subsection (1)(a)(i), (ii), (iii), or (iv); [~~or~~]

550 (vi) if the community's fair share ratio at the time of the first adoption of the project  
551 area budget is at least 1.1 to 1.0, make payments on bonds:

552 (A) that were previously issued by the agency, the community, or the housing authority

553 that provides income targeted housing within the community; and

554 (B) all or part of the proceeds of which were used within the community for the  
555 purposes stated in Subsection (1)(a)(i), (ii), (iii), or (iv)[-]; or

556 (vii) relocate mobile home park residents displaced by an urban renewal, economic  
557 development, or community development project.

558 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or  
559 any portion of housing funds to:

560 (i) the community for use as provided under Subsection (1)(a);

561 (ii) the housing authority that provides income targeted housing within the community  
562 for use in providing income targeted housing within the community; or

563 (iii) the Olene Walker Housing Loan Fund, established under Title 9, Chapter 4, Part 7,  
564 Olene Walker Housing Loan Fund, for use in providing income targeted housing within the  
565 community.

566 (2) The agency or community shall separately account for the housing funds, together  
567 with all interest earned by the housing funds and all payments or repayments for loans,  
568 advances, or grants from the housing funds.

569 (3) In using housing funds under Subsection (1)(a), an agency may lend, grant, or  
570 contribute housing funds to a person, public body, housing authority, private entity or business,  
571 or nonprofit organization for use as provided in Subsection (1)(a).

572 (4) An agency may:

573 (a) issue bonds from time to time to finance a housing undertaking under this section,  
574 including the payment of principal and interest upon advances for surveys and plans or  
575 preliminary loans; and

576 (b) issue refunding bonds for the payment or retirement of bonds under Subsection  
577 (4)(a) previously issued by the agency.

578 (5) (a) If an agency fails to provide housing funds in accordance with the project area  
579 budget and, if applicable, the housing plan adopted under Subsection 17C-2-204(2), the loan  
580 fund board may bring legal action to compel the agency to provide the housing funds.

581 (b) In an action under Subsection (5)(a), the court:

582 (i) shall award the loan fund board a reasonable ~~[attorney's]~~ attorney fee, unless the  
583 court finds that the action was frivolous; and

584 (ii) may not award the agency its ~~[attorney's]~~ attorney fees, unless the court finds that  
585 the action was frivolous.

586 Section 8. Section **17C-2-102** is amended to read:

587 **17C-2-102. Process for adopting urban renewal project area plan -- Prerequisites**  
588 **-- Restrictions.**

589 (1) (a) In order to adopt an urban renewal project area plan, after adopting a resolution  
590 under Subsection 17C-2-101(1) the agency shall:

591 (i) unless a finding of blight is based on a finding made under Subsection  
592 17C-2-303(1)(b) relating to an inactive industrial site:

593 (A) cause a blight study to be conducted within the survey area as provided in Section  
594 17C-2-301;

595 ~~[(ii)]~~ (B) provide notice of a blight hearing as required under Part 5, Urban Renewal  
596 Notice Requirements; and

597 ~~[(iii)]~~ (C) hold a blight hearing as provided in Section 17C-2-302; ~~[and]~~

598 ~~[(iv)]~~ (ii) after the blight hearing has been held or, if no blight hearing is required under  
599 Subsection (1)(a)(i), after adopting a resolution under Subsection 17C-2-101(1), hold a board  
600 meeting[, either in conjunction with the blight hearing or at a subsequent board meeting,] at  
601 which the board shall:

602 (A) consider:

603 (I) the issue of blight and the evidence and information relating to the existence or  
604 nonexistence of blight; and

605 (II) whether adoption of one or more urban renewal project area plans should be  
606 pursued; and

607 (B) by resolution:

608 (I) make a finding regarding the existence of blight in the proposed urban renewal  
609 project area;

610 (II) select one or more project areas comprising part or all of the survey area; and

611 (III) authorize the preparation of a draft project area plan for each project area;

612 ~~[(v)]~~ (iii) prepare a draft of a project area plan and conduct any examination,  
613 investigation, and negotiation regarding the project area plan that the agency considers  
614 appropriate;

615 [~~(vi)~~] (iv) make the draft project area plan available to the public at the agency's offices  
 616 during normal business hours;

617 [~~(vii)~~] (v) provide notice of the plan hearing as provided in Sections 17C-2-502 and  
 618 17C-2-504;

619 [~~(viii)~~] (vi) hold a public hearing on the draft project area plan and, at that public  
 620 hearing:

621 (A) allow public comment on:

622 (I) the draft project area plan; and

623 (II) whether the draft project area plan should be revised, approved, or rejected; and

624 (B) receive all written and hear all oral objections to the draft project area plan;

625 [~~(ix)~~] (vii) before holding the plan hearing, provide an opportunity for the State Board  
 626 of Education and each taxing entity that levies a tax on property within the proposed project  
 627 area to consult with the agency regarding the draft project area plan;

628 [~~(x)~~] (viii) if applicable, hold the election required under Subsection 17C-2-105(3);

629 [~~(xi)~~] (ix) after holding the plan hearing, at the same meeting or at a subsequent  
 630 meeting consider:

631 (A) the oral and written objections to the draft project area plan and evidence and  
 632 testimony for and against adoption of the draft project area plan; and

633 (B) whether to revise, approve, or reject the draft project area plan;

634 [~~(xii)~~] (x) approve the draft project area plan, with or without revisions, as the project  
 635 area plan by a resolution that complies with Section 17C-2-106; and

636 [~~(xiii)~~] (xi) submit the project area plan to the community legislative body for  
 637 adoption.

638 (b) (i) If an agency makes a finding under Subsection (1)(a)[~~(iv)~~] (ii)(B) that blight  
 639 exists in the proposed urban renewal project area, the agency may not adopt the project area  
 640 plan until the taxing entity committee approves the finding of blight.

641 (ii) (A) A taxing entity committee may not disapprove an agency's finding of blight  
 642 unless the committee demonstrates that the conditions the agency found to exist in the urban  
 643 renewal project area that support the agency's finding of blight under Section 17C-2-303 ~~H~~→ :

643a (I) ~~H~~ do not

644 exist ~~H~~→ ; or

644a (II) do not constitute blight ~~H~~ .

645 (B) (I) If the taxing entity committee questions or disputes the existence of some or all

646 of the blight conditions that the agency found to exist in the urban renewal project area ~~H~~→ or that  
 646a those conditions constitute blight ~~←H~~ , the  
 647 taxing entity committee may hire a consultant, ~~H~~→ [acceptable to] mutually agreed upon by the  
 647a taxing entity committee and ~~←H~~ the agency, with the necessary  
 648 expertise to assist the taxing entity committee to make a determination as to the existence of  
 649 the questioned or disputed blight conditions.

650 (II) The agency shall pay the fees and expenses of each consultant hired under  
 651 Subsection (1)(b)(ii)(B)(I).

652 (III) The findings of a consultant under this Subsection (1)(b)(ii)(B) shall be binding on  
 653 the taxing entity committee and the agency.

654 (2) An agency may not propose a project area plan under Subsection (1) unless the  
 655 community in which the proposed project area is located:

656 (a) has a planning commission; and

657 (b) has adopted a general plan under:

658 (i) if the community is a city or town, Title 10, Chapter 9a, Part 4, General Plan; or

659 (ii) if the community is a county, Title 17, Chapter 27a, Part 4, General Plan.

660 (3) (a) Subject to Subsection (3)(b), an agency board may not approve a project area  
 661 plan more than one year after adoption of a resolution making a finding of blight under  
 662 Subsection (1)(a)[~~(iv)~~] (ii)(B).

663 (b) If a project area plan is submitted to an election under Subsection 17C-2-105(3),  
 664 the time between the plan hearing and the date of the election does not count for purposes of  
 665 calculating the year period under Subsection (3)(a).

666 (4) (a) Except as provided in Subsection (4)(b), a draft project area plan may not be  
 667 modified to add real property to the proposed project area unless the board holds a plan hearing  
 668 to consider the addition and gives notice of the plan hearing as required under Sections  
 669 17C-2-502 and 17C-2-504.

670 (b) The notice and hearing requirements under Subsection (4)(a) do not apply to a draft  
 671 project area plan being modified to add real property to the proposed project area if:

672 (i) the property is contiguous to the property already included in the proposed project  
 673 area under the draft project area plan;

674 (ii) the record owner of the property consents to adding the real property to the  
 675 proposed project area; and

676 (iii) the property is located within the survey area.

677 Section 9. Section 17C-2-106 is amended to read:

678 **17C-2-106. Board resolution approving urban renewal project area plan --**

679 **Requirements.**

680 Each board resolution approving a draft urban renewal project area plan as the project  
681 area plan under Subsection 17C-2-102(1)(a)[~~(xii)~~] (x) shall contain:

682 (1) a legal description of the boundaries of the project area that is the subject of the  
683 project area plan;

684 (2) the agency's purposes and intent with respect to the project area;

685 (3) the project area plan incorporated by reference;

686 (4) a statement that the board previously made a finding of blight within the project  
687 area and the date of the board's finding of blight; and

688 (5) the board findings and determinations that:

689 (a) there is a need to effectuate a public purpose;

690 (b) there is a public benefit under the analysis described in Subsection 17C-2-103(2);

691 (c) it is economically sound and feasible to adopt and carry out the project area plan;

692 (d) the project area plan conforms to the community's general plan; and

693 (e) carrying out the project area plan will promote the public peace, health, safety, and  
694 welfare of the community in which the project area is located.

695 Section 10. Section 17C-2-110 is amended to read:

696 **17C-2-110. Amending an urban renewal project area plan.**

697 (1) An adopted urban renewal project area plan may be amended as provided in this  
698 section.

699 (2) If an agency proposes to amend an adopted urban renewal project area plan to  
700 enlarge the project area:

701 (a) subject to Subsection (2)(e), the requirements under this part that apply to adopting  
702 a project area plan apply equally to the proposed amendment as if it were a proposed project  
703 area plan;

704 (b) for a pre-July 1, 1993 project area plan, the base year taxable value for the new area  
705 added to the project area shall be determined under Subsection 17C-1-102(6)(a) using the  
706 effective date of the amended project area plan;

707 (c) for a post-June 30, 1993 project area plan:

708 (i) the base year taxable value for the new area added to the project area shall be  
709 determined under Subsection 17C-1-102(6)(b) using the date of the taxing entity committee's  
710 consent referred to in Subsection (2)(c)(ii); and

711 (ii) the agency shall obtain the consent of the taxing entity committee before the agency  
712 may collect tax increment from the area added to the project area by the amendment;

713 (d) the agency shall make a finding regarding the existence of blight in the area  
714 proposed to be added to the project area by following the procedure set forth in Subsections  
715 17C-2-102(1)(a)(i) [~~through (iv)~~] and (ii); and

716 (e) the agency need not make a finding regarding the existence of blight in the project  
717 area as described in the original project area plan, if the agency made a finding of the existence  
718 of blight regarding that project area in connection with adoption of the original project area  
719 plan.

720 (3) If a proposed amendment does not propose to enlarge an urban renewal project area,  
721 an agency board may adopt a resolution approving an amendment to an adopted project area  
722 plan after:

723 (a) the agency gives notice, as provided in Section 17C-2-502, of the proposed  
724 amendment and of the public hearing required by Subsection (3)(b);

725 (b) the agency board holds a public hearing on the proposed amendment that meets the  
726 requirements of a plan hearing;

727 (c) the agency obtains the taxing entity committee's consent to the amendment, if the  
728 amendment proposes:

729 (i) to enlarge the area within the project area from which tax increment is collected;

730 (ii) to permit the agency to receive a greater percentage of tax increment or to receive  
731 tax increment for a longer period of time, or both, than allowed under the adopted project area  
732 plan; or

733 (iii) for an amendment to a project area plan that was adopted before April 1, 1983, to  
734 expand the area from which tax increment is collected to exceed 100 acres of private property;  
735 and

736 (d) the agency obtains the consent of the legislative body or governing board of each  
737 taxing entity affected, if the amendment proposes to permit the agency to receive, from less  
738 than all taxing entities, a greater percentage of tax increment or to receive tax increment for a

739 longer period of time, or both, than allowed under the adopted project area plan.

740 (4) (a) An adopted urban renewal project area plan may be amended without  
741 complying with the notice and public hearing requirements of Subsections (2)(a) and (3)(a) and  
742 (b) and without obtaining taxing entity committee approval under Subsection (3)(c) if the  
743 amendment:

744 (i) makes a minor adjustment in the legal description of a project area boundary  
745 requested by a county assessor or county auditor to avoid inconsistent property boundary lines;  
746 or

747 (ii) subject to Subsection (4)(b), removes a parcel of real property from a project area  
748 because the agency determines that:

749 (A) the parcel is no longer blighted; or

750 (B) inclusion of the parcel is no longer necessary or desirable to the project area.

751 (b) An amendment removing a parcel of real property from a project area under  
752 Subsection (4)(a)(ii) may not be made without the consent of the record property owner of the  
753 parcel being removed.

754 (5) (a) An amendment approved by board resolution under this section may not take  
755 effect until adopted by ordinance of the legislative body of the community in which the project  
756 area that is the subject of the project area plan being amended is located.

757 (b) Upon a community legislative body passing an ordinance adopting an amendment  
758 to a project area plan, the agency whose project area plan was amended shall comply with the  
759 requirements of Section 17C-2-109 to the same extent as if the amendment were a project area  
760 plan.

761 Section 11. Section **17C-2-202** is amended to read:

762 **17C-2-202. Combined incremental value -- Restriction against adopting an urban**  
763 **renewal project area budget -- Taxing entity committee may waive restriction.**

764 (1) Except as provided in Subsection (2), an agency may not adopt an urban renewal  
765 project area budget if, at the time the urban renewal project area budget is being considered, the  
766 combined incremental value for the agency exceeds 10% of the total taxable value of property  
767 within the agency's boundaries in the year that the urban renewal project area budget is being  
768 considered.

769 (2) (a) A taxing entity committee may waive the restrictions imposed by Subsection

770 (1).

771 (b) Subsection (1) does not apply to an urban renewal project area budget if the  
772 agency's finding of blight in the project area to which the budget relates is based on a finding  
773 under Subsection 17C-2-303(1)(b).

774 Section 12. Section **17C-2-301** is amended to read:

775 **17C-2-301. Blight study -- Requirements -- Deadline.**

776 (1) Each blight study required under Subsection 17C-2-102(1)(a)(i)(A) shall:

777 (a) undertake a parcel by parcel survey of the survey area;

778 (b) provide data so the board and taxing entity committee may determine:

779 (i) whether the conditions described in Subsection 17C-2-303(1):

780 (A) exist in part or all of the survey area; and

781 (B) qualify an area within the survey area as a project area; and

782 (ii) whether the survey area contains all or part of a superfund site or an inactive  
783 industrial site;

784 (c) include a written report setting forth:

785 (i) the conclusions reached;

786 (ii) any recommended area within the survey area qualifying as a project area; and

787 (iii) any other information requested by the agency to determine whether an urban  
788 renewal project area is feasible; and

789 (d) be completed within one year after the adoption of the survey area resolution.

790 (2) (a) If a blight study is not completed within one year after the adoption of the  
791 resolution under Subsection 17C-2-101(1) designating a survey area, the agency may not  
792 approve an urban renewal project area plan based on that blight study unless it first adopts a  
793 new resolution under Subsection 17C-2-101(1).

794 (b) A new resolution under Subsection (2)(a) shall in all respects be considered to be a  
795 resolution under Subsection 17C-2-101(1) adopted for the first time, except that any actions  
796 taken toward completing a blight study under the resolution that the new resolution replaces  
797 shall be considered to have been taken under the new resolution.

798 Section 13. Section **17C-2-302** is amended to read:

799 **17C-2-302. Blight hearing -- Owners may review evidence of blight.**

800 (1) In each hearing required under Subsection 17C-2-102(1)(a)(~~iii~~)(i)(C), the agency

801 shall:

802 (a) permit all evidence of the existence or nonexistence of blight within the proposed  
803 urban renewal project area to be presented; and

804 (b) permit each record owner of property located within the proposed urban renewal  
805 project area or the record property owner's representative the opportunity to:

806 (i) examine and cross-examine witnesses providing evidence of the existence or  
807 nonexistence of blight; and

808 (ii) present evidence and testimony, including expert testimony, concerning the  
809 existence or nonexistence of blight.

810 (2) The agency shall allow record owners of property located within a proposed urban  
811 renewal project area the opportunity, for at least 30 days before the hearing, to review the  
812 evidence of blight compiled by the agency or by the person or firm conducting the blight study  
813 for the agency, including any expert report.

814 Section 14. Section **17C-2-303** is amended to read:

815 **17C-2-303. Conditions on board determination of blight -- Conditions of blight**  
816 **caused by the developer.**

817 (1) An agency board may not make a finding of blight in a resolution under Subsection  
818 17C-2-102(1)(a)(ii)(B) unless the board finds that:

819 (a) (i) the proposed project area consists predominantly of nongreenfield parcels;

820 (ii) the proposed project area is currently zoned for urban purposes and generally  
821 served by utilities;

822 (iii) at least 50% of the parcels within the proposed project area contain nonagricultural  
823 or nonaccessory buildings or improvements used or intended for residential, commercial,  
824 industrial, or other urban purposes, or any combination of those uses;

825 (iv) the present condition or use of the proposed project area substantially impairs the  
826 sound growth of the municipality, retards the provision of housing accommodations, or  
827 constitutes an economic liability or is detrimental to the public health, safety, or welfare, as  
828 shown by the existence within the proposed project area of at least four of the following  
829 factors:

830 (A) one of the following, although sometimes interspersed with well maintained  
831 buildings and infrastructure:

832 (I) substantial physical dilapidation, deterioration, or defective construction of  
833 buildings or infrastructure; or  
834 (II) significant noncompliance with current building code, safety code, health code, or  
835 fire code requirements or local ordinances;  
836 (B) unsanitary or unsafe conditions in the proposed project area that threaten the  
837 health, safety, or welfare of the community;  
838 (C) environmental hazards, as defined in state or federal law, that require remediation  
839 as a condition for current or future use and development;  
840 (D) excessive vacancy, abandoned buildings, or vacant lots within an area zoned for  
841 urban use and served by utilities;  
842 (E) abandoned or outdated facilities that pose a threat to public health, safety, or  
843 welfare;  
844 (F) criminal activity in the project area, higher than that of comparable nonblighted  
845 areas in the municipality or county; and  
846 (G) defective or unusual conditions of title rendering the title nonmarketable; and  
847 (v) (A) at least 50% of the parcels within the proposed project area are affected by at  
848 least one of the factors, but not necessarily the same factor, listed in Subsection (1)(a)(iv); and  
849 (B) the affected parcels comprise at least 66% of the acreage of the proposed project  
850 area; or  
851 (b) the proposed project area includes some or all of a superfund site or an inactive  
852 industrial site.  
853 (2) No single parcel comprising 10% or more of the acreage of the proposed project  
854 area may be counted as satisfying Subsection (1)(a)(iii) or (iv) unless at least 50% of the area of  
855 that parcel is occupied by buildings or improvements.  
856 (3) (a) For purposes of Subsection (1), if a developer involved in the urban renewal  
857 project has caused a condition listed in Subsection (1)(a)(iv) within the proposed project area,  
858 that condition may not be used in the determination of blight.  
859 (b) Subsection (3)(a) does not apply to a condition that was caused by an owner or  
860 tenant who becomes a developer.  
861 Section 15. Section **17C-2-304** is amended to read:  
862 **17C-2-304. Challenging a finding of blight -- Time limit -- De novo review.**

863 (1) If the board makes a finding of blight under Subsection 17C-2-102(1)(a)(ii)(B) and  
864 that finding is approved by resolution adopted by the taxing entity committee, a record owner  
865 of property located within the proposed urban renewal project area may challenge the finding  
866 by filing an action with the district court for the county in which the property is located.

867 (2) Each challenge under Subsection (1) shall be filed within 30 days after the taxing  
868 entity committee approves the board's finding of blight.

869 (3) In each action under this section, the district court shall review the finding of blight  
870 under the standards of review provided in Subsection 10-9a-801(3).

871 Section 16. Section **17C-4-202** is amended to read:

872 **17C-4-202. Resolution or interlocal agreement to provide funds for the**  
873 **community development project area plan -- Notice -- Effective date of resolution or**  
874 **interlocal agreement -- Time to contest resolution or interlocal agreement -- Availability**  
875 **of resolution or interlocal agreement.**

876 (1) The approval and adoption of each resolution or interlocal agreement under  
877 Subsection 17C-4-201(2) shall be in an open and public meeting.

878 (2) (a) Upon the adoption of a resolution or interlocal agreement under Section  
879 17C-4-201, the agency shall provide notice as provided in Subsection (2)(b) by:

880 (i) publishing or causing to be published a notice in a newspaper of general circulation  
881 within the agency's boundaries; or

882 (ii) if there is no newspaper of general circulation within the agency's boundaries,  
883 causing a notice to be posted in at least three public places within the agency's boundaries.

884 (b) Each notice under Subsection (2)(a) shall:

885 (i) set forth a summary of the resolution or interlocal agreement; and

886 (ii) include a statement that the resolution or interlocal agreement is available for  
887 general public inspection and the hours of inspection.

888 (3) The resolution or interlocal agreement shall become effective on the date of:

889 (a) if notice was published under Subsection (2)(a), publication of the notice; or

890 (b) if notice was posted under Subsection (2)(a), posting of the notice.

891 (4) (a) For a period of 30 days after the effective date of the resolution or interlocal  
892 agreement under Subsection (3), any person in interest may contest the resolution or interlocal  
893 agreement or the procedure used to adopt the resolution or interlocal agreement if the

894 resolution or interlocal agreement or procedure fails to comply with applicable statutory  
895 requirements.

896 (b) After the 30-day period under Subsection (4)(a) expires, no person may contest the  
897 resolution or interlocal agreement for any cause.

898 (5) Each agency that is to receive funds under a resolution or interlocal agreement  
899 under Section 17C-4-201 and each taxing entity or public agency that approves a resolution or  
900 enters into an interlocal agreement under Section 17C-4-201 shall make the resolution or  
901 interlocal agreement, as the case may be, available at its offices to the general public for  
902 inspection and copying during normal business hours.

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**Fiscal Note****S.B. 218 2nd Sub. (Salmon) - Community Development and Renewal Agency  
Amendments**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for businesses or local governments. Provisions in the bill does allow the use of tax increment funds to assist mobile home park residents displaced by urban renewal or certain other development projects.

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